

AMENDED IN SENATE APRIL 24, 2001

**SENATE BILL**

**No. 679**

**Introduced by Senator Figueroa**

February 23, 2001

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An act to amend Section 17510.85 of, and to add Section 17510.86 to, the Business and Professions Code, relating to charitable solicitations.

LEGISLATIVE COUNSEL'S DIGEST

SB 679, as amended, Figueroa. Charitable solicitations: ~~professional~~ commercial fundraisers: disclosures.

Existing law imposes various disclosure requirements relative to solicitations for charitable purposes, including a requirement to disclose when the solicitation is being conducted by a commercial fundraiser and the name of that commercial fundraiser.

This bill would *also* require ~~a commercial fundraiser to provide accurate responses to the individual being solicited for a contribution to a charitable organization if that individual inquires as to the net amount of the contribution that will actually be received by the charitable organization or about the nature of the business relationship between the commercial fundraiser and the charitable organization.~~ *This the disclosure that the commercial fundraiser was hired by the charitable organization for the purpose of raising donations. The bill would enact other related provisions.*

Vote: majority. Appropriation: no. Fiscal committee: no. State-mandated local program: no.

*The people of the State of California do enact as follows:*

SECTION 1. Section 17510.85 of the Business and Professions Code is amended to read:

17510.85. Any individual, corporation, or other legal entity who for compensation solicits funds or other property in this state for charitable purposes shall disclose prior to an oral solicitation or sales solicitation made by direct personal contact, radio, television, telephone, or over the Internet, or at the same time as a written solicitation or sales solicitation: (a) that the solicitation or sales solicitation is being conducted by a commercial fundraiser hired by the charitable organization for the purpose of raising donations for charitable purposes, and (b) the name of the commercial fundraiser for charitable purposes as registered with the Attorney General pursuant to Section 12599 of the Government Code.

SEC. 2. Section 17510.86 is added to the Business and Professions Code, to read:

~~17510.86. If an individual being solicited for a contribution to a charitable organization by a commercial fundraiser inquires as to the net amount of the contribution that will actually be received by the charitable organization, as compared with the amount that will be retained or received by the professional fundraiser, or if the individual inquires about the nature of the business relationship between the commercial fundraiser and the charitable organization, the commercial fundraiser shall provide accurate responses to those inquiries.~~

17510.86. (a) *It shall be unlawful for a commercial fundraiser for charitable purposes to not disclose the percentage of total fundraising expenses of the fundraiser upon receiving a written or oral request from a person solicited for a contribution for a charitable purpose. "Percentage of total fundraising expenses," as used in this section, means the ratio of the total expenses of the fundraiser to the total revenue received by the fundraiser for the charitable purpose for which funds are being solicited, as reported on the most recent financial report filed with the Attorney General's Registry of Charitable Trusts. A commercial fundraiser shall disclose this information in writing within five working days from receipt of a request by mail or fax. A commercial fundraiser shall orally disclose this information*

1 *immediately upon a request made in person or in a telephone*  
2 *conversation and shall follow this response with a written*  
3 *disclosure within five working days. Failure to comply with the*  
4 *requirements of this subdivision shall be grounds for an injunction*  
5 *against solicitation in this state for charitable purposes and other*  
6 *civil remedies provided by law.*

7 *(b) The Attorney General shall enforce the provisions of this*  
8 *section.*

9 *SEC. 3. The provisions of this act are severable. If any*  
10 *provision of this act or its application is held invalid, that*  
11 *invalidity shall not affect other provisions or applications that can*  
12 *be given effect without the invalid provision or application.*

